

December 3, 2001

TRADE AND THE ENVIRONMENT

- Free trade and environmental improvements can be mutually supportive. Free trade promotes free markets, economic growth, and higher living standards. As countries grow wealthier they show greater sensitivity to environmental protection – citizens tend to be more supportive of environmental regulation and governments have more resources to devote to such regulation. And trade negotiations provide opportunities to advance environmental improvements, e.g., through removing trade barriers to environmental products (“win-wins”) and enhanced technical cooperation relationships.
- The global trade negotiations launched in Doha, Qatar on November 14 present a special opportunity to simultaneously advance free trade and environmental protection.
 - We have agreed to launch negotiations on fish and agricultural subsidies – many of which are environmentally harmful – and on increasing market access for environmental goods (e.g., catalytic converters) and services.
 - The agreement reached in Doha calls for enhancing the mutual supportiveness of multilateral environmental agreements (MEAs) and the WTO rules by further exploring the relationship between the two, including by developing procedures on MEA/WTO information exchange and MEA observership.
- Enactment of Trade Promotion Authority will strengthen the hand of U.S. negotiators working from the Doha Declaration’s environmental elements, as it will send a powerful signal to our trading partners that the United States speaks with one voice on trade policy.
- The Trade Promotion Authority bill under consideration in the House contains a number of provisions incorporating environmental concerns into U.S. trade negotiations and directing the President to take steps that will enhance environmental protection efforts:
 - The bill includes environmental protection as part of the overall negotiating objective – assuring that trade and environment policies are mutually supportive.
 - H.R. 3005 says that future TPA agreements should ensure that our trading partners do not systematically fail to effectively enforce their environmental laws in a manner that affects their trade with the United States.
 - The President is required to seek to strengthen the capacity of U.S. trading partners to protect the environment.
- It would be a mistake of historic magnitude – and hugely self-defeating – to block progress on

Trade Promotion Authority in the name of environmental policy, since an absence of TPA would hamper U.S. efforts to promote these sorts of practical environmental advances.

- The Bush Administration is committed to advancing environmental protection as part of its trade agenda.
 - The Administration announced in April that it would be continuing the practice of conducting written environmental reviews of major trade agreements.
 - USTR won a major WTO case defending a U.S. law that enhances the conservation of sea turtles without discriminating against U.S. trading partners.
- Other nations are more likely to work with us to improve local standards if the U.S. approach is positive and cooperative, not intimidating. Home-grown efforts to promote environmental protection are more likely to be self-sustaining and to plant local roots.